

**Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554**

In the Matter of)	
)	
Application by Verizon Maryland for)	WC Docket No. 02-384
Authorization to Provide In-region,)	
InterLATA Services in Maryland,)	
Washington D.C., and West Virginia)	

**COMMENTS OF
CLOSECALL AMERICA, INC.**

CloseCall America, Inc. ("CloseCall") by and through counsel, hereby submits comments in response to the Commission's Public Notice requesting comment on the Application by Verizon Maryland for Authorization to Provide In-region, InterLATA Services in Maryland, Washington D.C., and West Virginia. CloseCall is a Maryland-based telecommunications company offering local, long distance, digital wireless, and Internet services primarily in Maryland, Delaware and New Jersey.

I. INTRODUCTION

On May 2, 2002, CloseCall filed with the Public Service Commission of Maryland (the "MD-PSC") a complaint requesting that the MD-PSC direct Verizon Maryland, Inc. ("Verizon") to provide wholesale access to voice messaging and line sharing DSL services (i.e., digital subscriber line services that can be provided on loops that are also used by

competitive local exchange carriers (“CLECs”) to provide local telephone service).¹ In the *Complaint*, CloseCall reported that Verizon was impermissibly tying its enhanced and local exchange services by refusing to provide voice mail and line sharing DSL services on loops over which its competitors provide local exchange services. CloseCall argued that Verizon’s refusal to provide these services on a wholesale or stand-alone basis effectively punishes consumers who switch to CLEC-provided local telephone services by depriving them of continued access to their existing, Verizon-provided voice messaging and line sharing DSL services. CloseCall maintained that these anti-competitive practices are harmful to competitive entry and contrary to consumer interests.

On July 19, 2002, the MD-PSC determined that a hearing would be necessary to resolve the issues raised in the *Complaint*, docketed the matter as Case No. 8927, and delegated authority to the PSC’s Hearing Examiner Division for expedited resolution.² Case No. 8927 has not yet been resolved.³

In its December 16, 2002 Conditional Order in Case No. 8921 (the MD-PSC’s review of Verizon’s compliance with 47 U.S.C. §271(c)), the MD-PSC directed Verizon to

¹ Complaint of CloseCall America, Inc., MD Public Service Commission Case No. 8927, May 2, 2002 (the “*Complaint*”). See Attachment 1.

² See Letter to Carville B. Collins, Esq., Piper Rudnick LLP and David A. Hill, Esq., Verizon Maryland Inc. from Donald P. Eveleth, Assistant Executive Secretary, Maryland Public Service Commission, July 19, 2002 (the “*Docketing Letter*”). See Attachment 2.

³ Case Jacket, Case Number: 8927, In the Matter of the Complaint of CloseCall America, Inc. v. Verizon Maryland Inc. See Attachment 3.

take certain actions to protect customer choice of line sharing DSL and telephone services.⁴ Specifically, the *Conditional Order* provided the following:

7. Line Sharing

Line sharing occurs when an incumbent is providing, and continues to provide, voice service on a particular loop to which a CLEC provides or seeks access in order to provide line sharing DSL service. According to the evidence provided, where an end user formerly was provided voice and data services by Verizon and chooses to receive its voice services from a CLEC, the end user will lose its data or DSL services from Verizon. The Commission is extremely concerned about this potential side effect on a consumer's decision to engage in choice - that is that the customer has to weigh its desire to maintain its DSL service against its decision to select a competitive local exchange provider. The Commission is pleased that Verizon has indicated that it is willing to enter into technical and business discussions with CLECs to attempt to arrange the relationships necessary to make such a consumer decision unnecessary. Such an offer addresses the Commission's public interest concerns

⁴ Letter to Mr. William R. Roberts, President, Verizon Maryland Inc., from Catherine I. Riley, Chairman, J. Joseph Curran, III, Commissioner, Gail C. McDonald, Commissioner, and Harold D. Williams, Commissioner, Maryland Public Service Commission, Dec. 16, 2002 (the "*Conditional Order*"). See Attachment 4.

pertaining to this issue. The Commission directs that

Verizon make the offer available to all CLECs.

On December 17, 2002, Verizon filed with the MD-PSC a letter documenting its acceptance of this condition.⁵

On December 24, 2002, the MD-PSC staff notified the parties to Case No. 8927 that the Line Sharing condition reproduced above corresponds to certain issues raised in the *Complaint*.⁶ Consequently, it is clear that the MD-PSC intends that Verizon's authority to provide in-region interLATA services in Maryland is conditioned, in part, on Verizon's resolution of the anti-competitive line sharing DSL issues described in the *Complaint*. As such, CloseCall herein provides for the Commission's reference, convenience and use the substantive pleadings and testimony (redacted to protect confidential information) that have been filed with the MD-PSC in Case No. 8927, as described below. These documents describe Verizon's policies with respect to the provision of line sharing DSL to customers that choose to subscribe to competitive local telephone service providers, the competitive issues related to these policies and the positions of each party to the proceeding.

In addition, CloseCall hereby informs the Commission that Verizon has not yet contacted CloseCall regarding any actions Verizon plans to take in order to comply with

⁵ Letter to Felicia L. Greer, Executive Secretary, Public Service Commission of Maryland, from William R. Roberts, President, Verizon Maryland Inc., Dec. 17, 2002 (the "*Verizon Acceptance*"). See Attachment 5.

⁶ Email from Michael A. Dean, Maryland Public Service Commission, to Carville Collins, Piper Rudnick LLP; David Hill, Verizon Maryland Inc.; Sean Lev, Kellog Huber Hansen Todd and Evans, P.L.L.C.; Vincent Paladini, Piper Rudnick LLP; Kimberly Wild, WorldCom, Inc.; Catherine Dowling and Sarah Lazarus, Maryland Public Service Commission; and Richard Miller, Office of People's Counsel, Dec. 24, 2002.

the MD-PSC's line sharing DSL condition nor has Verizon otherwise made available to CloseCall any notice that it is willing to discuss or agree to technical or business arrangements as described by the MD-PSC in the *Conditional Order* and agreed to by Verizon in the *Verizon Acceptance*. CloseCall respectfully requests that, in the course of this proceeding, the Commission recognize and preserve the conditions according to which the MD-PSC has granted its consent to Verizon's provision of in-region interLATA services in Maryland.

II. BACKGROUND

As noted above, CloseCall filed the *Complaint* with the MD-PSC on May 2, 2002. In the *Complaint*, CloseCall argued that Verizon's refusal to provide line sharing DSL services on a wholesale basis punishes and manipulates Maryland consumers who obtain local service from Verizon's competitors.⁷ In particular, CloseCall argued that Verizon unfairly leverages its line sharing DSL market advantage to win back the local service customers that it is losing to its competitors. Knowing that a number of CLECs, including CloseCall, do not (and cannot) provide similar line sharing DSL services to their customers, Verizon contacts individual CLEC customers and offers to provide line sharing DSL service over the customer's local loop, but only if the customer agrees to subscribe to Verizon's DSL service. As described in the *Complaint*, CloseCall maintains that this practice effectively ties in the marketplace Verizon's broadband and local exchange

⁷ *Complaint* at 6.

services in a manner that prohibits consumers from subscribing to the competitive local service carrier of their choice.⁸

In the *Complaint*, CloseCall also explained that Verizon's product tying practice is contrary to the public interest, bars consumers from obtaining the benefits of local exchange competition, and chills competitive entry in the local service market. Moreover, CloseCall noted that this practice is particularly dubious in light of Verizon's request for Section 271 authority to provide long-distance services in Maryland. CloseCall observed that it would set an unfortunate precedent if the MD-PSC were to permit Verizon to use its provision of non-local exchange services to preclude competition in the local exchange market.⁹ CloseCall's *Complaint* also contained similar arguments with respect to Verizon's restrictive policies regarding customer access to its voice messaging services.¹⁰

In response to the *Complaint*, on May 6, 2002, the MD-PSC sent a letter to Verizon directing it to answer CloseCall's allegations.¹¹ On May 28, 2002, Verizon filed with the MD-PSC its *Answer* to the *Complaint*.¹² In its *Answer*, Verizon argued that CloseCall's *Complaint* requested relief that exceeded the MD-PSC's authority under both federal and state law, that CloseCall's arguments were "baseless" and that there was no reason for the MD-PSC to "wade into [the] issue" of Verizon's refusal to provide line

⁸ *Id.* at 6-7.

⁹ *Id.*

¹⁰ *Id.* at 3-5.

¹¹ Letter from Felicia L. Greer, Executive Secretary, Maryland Public Service Commission, to David A. Hill, Esq., Vice President and General Counsel, Verizon Maryland Inc., May 6, 2002. See Attachment 6.

sharing DSL service on loops that customers also use for competitive local telephone service.

In its *Reply* to Verizon's *Answer*, filed on June 7, 2002, CloseCall noted that Verizon's *Answer* failed to address the fundamental competitive and consumer choice issues raised in the *Complaint*, but instead attempted to redirect the MD-PSC's attention from the substance of the matter by making false and misleading statements with regard to the authority of the MD-PSC and the competitive environment in Maryland.¹³ In particular, CloseCall noted that Verizon's *Answer* "completely disregard[ed] the substance of the DSL issues that [CloseCall] raised in the *Complaint* – Verizon's policy of requiring that its line-sharing DSL customers also subscribe to its local telephone service and practice of arbitrarily disconnecting existing Verizon DSL customers if those customers switch to a competitive local service provider."¹⁴ In addition, CloseCall noted that the Federal Communications Commission Order cited by Verizon as a defense for its restrictive line sharing DSL policies actually supports the premise of the *Complaint*.¹⁵ Specifically, CloseCall noted that in its *Verizon Connecticut 271 Order*, the Commission clearly stated that "Verizon's policy of limiting resale of DSL services to situations where

(Footnote continued from previous page)

¹² Verizon Maryland Inc.'s *Answer* to the *Complaint* of CloseCall America, Inc., May 28, 2002 (the "*Answer*"). See Attachment 7.

¹³ *Reply* to the *Answer* of Verizon Maryland Inc., Jun. 7, 2002 (the "*Reply*"). See Attachment 8.

¹⁴ *Id.* at 3.

¹⁵ *Id.*

Verizon is the voice provider severely hinders the ability of other carriers to compete.”¹⁶ CloseCall also noted that Verizon’s policy with regard to consumer access to its voice messaging services in Maryland has a similar anti-competitive effect.¹⁷

On July 18, 2002, the Office of the People’s Counsel of Maryland (“People’s Counsel”) issued a letter urging the MD-PSC to set a hearing on CloseCall’s *Complaint*.¹⁸ In that letter, the People’s Counsel assured the MD-PSC that, “notwithstanding Verizon’s arguments to the contrary” the MD-PSC “possesses the authority to protect Maryland consumers and ensure quality of service in Maryland.”¹⁹ In particular, the People’s Counsel supported two issues raised in the *Complaint*: (1) protecting Verizon’s voice messaging consumers who switch from Verizon to a CLEC; and (2) ensuring that the Commission understands that it does possess the authority to regulate Verizon’s business practices where such practices involve consumer protection or quality of service in Maryland, regardless of the subject matter.

As noted above, after considering the initial pleadings, the MD-PSC issued a letter on July 19, 2002, stating that a hearing would be necessary to resolve the issues discussed in CloseCall’s *Complaint*. Accordingly, the MD-PSC docketed the matter as Case No.

¹⁶ See Application of Verizon New York Inc., *et. al.* for Authorization to Provide In-Region, InterLATA Services in Connecticut, 16 FCC Rcd 14147, 14162, at para. 32 (2001) (the “*Verizon Connecticut 271 Order*”).

¹⁷ *Reply* at 3.

¹⁸ Letter to Felicia Greer, Executive Secretary, Maryland Public Service Commission, from Richard T. Miller, Assistant People’s Counsel, July 18, 2002. See Attachment 9.

¹⁹ *Id.* at 1.

8927 and delegated the authority to conduct proceedings to the MD-PSC's Hearing Examiner Division for expedited resolution.²⁰

On August 13, 2002, WorldCom, Inc. ("WorldCom") filed with the MD-PSC a petition requesting leave to intervene in Case No. 8927, stating that WorldCom had a "keen interest" in the outcome of the proceeding because the MD-PSC would be examining Verizon's policy regarding its provision of line sharing DSL service to customers seeking local telephone service from Verizon's competitors, including WorldCom.²¹ The MD-PSC granted WorldCom's Petition to Intervene on September 19, 2002.

On August 23, 2002, Thomas E. Mazerski, President and Chief Executive of CloseCall, filed direct testimony in support of the *Complaint*.²² In his testimony, Mr. Mazerski provided additional insight regarding the anti-competitive business practices and policies discussed in the *Complaint* and explained how these policies substantially interfere with CloseCall's ability to provide local telephone service to its existing and potential customers in Maryland. In particular, Mr. Mazerski noted that Verizon refuses to switch a customer's local telephone service to a competitor, such as CloseCall, if that customer has line sharing DSL service.²³ Mr. Mazerski also explained how these anti-competitive business practices and policies handicap CloseCall's marketing and customer retention

²⁰ *Docketing Letter* at 1.

²¹ Petition of WorldCom, Inc. to Intervene, Case No. 8927, Aug. 13, 2002. *See* Attachment 10.

²² Testimony of Thomas E. Mazerski, Case No. 8927, Aug. 23, 2002 (the "*Mazerski Testimony*"). *See* Attachment 11.

²³ *Mazerski Testimony* at 25.

efforts and unjustifiably restrict the freedom of Maryland consumers and small businesses to obtain the competitive telecommunications services that they desire from the vendor of their choice. In addition, Mr. Mazerski illustrated how Verizon's anti-competitive practices are harmful to competitive entry and contrary to consumer interests.²⁴

On September 23, 2002, Sherry Lichtenberg filed testimony on behalf of WorldCom.²⁵ In her testimony, Ms. Lichtenberg discussed Verizon's "anticompetitive policy of tying its line sharing DSL service to its local voice service and the disruption that causes to Maryland consumers, as well as the chilling effect that policy has on the development of local exchange competition in Maryland."²⁶

On September 24, 2002, Verizon filed on its own behalf the rebuttal testimony of four individuals, Richard Terry Charlton, Rosemarie Clayton, Richard J. McCusker, Jr. and William E. Taylor.²⁷

In his rebuttal testimony, Mr. Charlton, who is employed by Verizon as Manager of Customer Care and Project Coordination for the National Market Centers in Maryland, Delaware, Virginia, West Virginia, Pennsylvania, and the District of Columbia, discussed his understanding of Verizon's practices and policies with respect to the provision of voice

²⁴ *Id.* at 5.

²⁵ Testimony of Sherry Lichtenberg, Case No. 8927, Sep. 23, 2002 (the "*Lichtenberg Testimony*"). See Attachment 12.

²⁶ *Id.* at 4.

²⁷ Rebuttal Testimony of Richard Terry Charlton (the "*Charlton Rebuttal*"); Rebuttal Testimony of Rosemarie Clayton ("*Clayton Rebuttal*"); Testimony of Richard J. McCusker, Jr. (the "*McCusker Rebuttal*"); Testimony of William E. Taylor (the "*Taylor Rebuttal*"), Case No. 8927, September 24, 2002. See Attachment 13.

messaging service.²⁸ In addition, Mr. Charlton responded to certain statements relating to voice messaging made by Mr. Mazerski in his testimony.²⁹ Mr. Charlton did not discuss line sharing DSL issues.

In her rebuttal testimony, Ms. Clayton, who is employed by Verizon as a Senior Product Manager for xDSL and Line Sharing, stated that Verizon makes its xDSL transmission service available for resale to CLECs and that several CLECs are ordering this product in Maryland.³⁰ In addition, Ms. Clayton attested that Verizon offers CLECs a service (i.e., “Resold DSL Over Resold Lines,” or “DRL”) that provides “asymmetrical DSL” service on a shared-line basis.³¹ Ms. Clayton also explained that DRL is different from the line sharing DSL service that Verizon provides to its retail customers (i.e., “Verizon On-Line”), which combines xDSL with Verizon’s Internet access service.³² Ms. Clayton opined that, while Verizon will not provide Verizon On-Line service to customers that do not subscribe to Verizon local telephone service, CloseCall could provide a similar product to its customers by either “partnering” with an Internet service provider (“ISP”) that serves a corresponding regional market, or by becoming an ISP itself.³³ Ms. Clayton also disagreed with Mr. Mazerski’s testimony that it would be economically impracticable

²⁸ *Charlton Rebuttal* at 1.

²⁹ *Id.* at 2.

³⁰ *Clayton Rebuttal* at 1, 4.

³¹ *Id.* at 5.

³² *Id.* at 8.

³³ *Id.* at 9. *See Mazerski Testimony* at 29.

to finance or deploy a redundant infrastructure to provide such service to its customers.³⁴

Ms. Clayton, however, did not provide any information to support her contrary opinion.

In addition, Ms. Clayton admitted that an end-user who purchases Verizon DSL/Internet Access service but wishes to switch to a CLEC for voice service will lose his or her access to Verizon On-Line (DSL/Internet access) service. Ms. Clayton further admitted that, if the end-user wishes to continue receiving DSL/Internet access, he or she must purchase that service from the CLEC providing voice service or from the CLEC's ISP partner, if any.³⁵

In his rebuttal testimony, Mr. McCusker, Director of Retail Messaging for Verizon, claimed that the MD-PSC does not have authority over Verizon's voice messaging services, although he acknowledged that certain state commissions nevertheless require Verizon to make its voice messaging services available for resale.³⁶

Finally, in his rebuttal testimony on behalf of Verizon, Mr. Taylor, a Senior Vice President of National Economic Research Associates, Inc. (NERA), provided testimony discussing the economic principles relating to the issues in the *Complaint*.³⁷ Mr. Taylor initially claimed that the *Complaint* lacked "economic merit" because "the markets for [voice messaging] and broadband Internet access are competitive in Maryland"; that "[a]symmetric regulation distorts competition, and under CloseCall's proposal, only one of

³⁴ *Clayton Rebuttal* at 10.

³⁵ *Id.* at 11-13.

³⁶ *McCusker Rebuttal* at 1-2.

³⁷ *Taylor Rebuttal* at 1-2.

many competitors in the [voice messaging] and high speed Internet access markets (Verizon MD) would be compelled to supply services to customers it would find unprofitable to serve”; and that CloseCall’s proposals are “impractical” because the identification of appropriate “stand-alone” services may be difficult for the MD-PSC. Mr. Taylor also claimed that CloseCall cannot suffer competitive harm from Verizon’s business practices because CloseCall’s customers “have many alternatives” to Verizon’s broadband Internet access services.³⁸ Nevertheless, Mr. Taylor acknowledged the principles underlying CloseCall’s *Complaint*:

The mechanics of tying are simple: a monopoly supplier of service A refuses to supply that service by itself and requires customers to also purchase service B, for which it faces competition. Under some circumstances, the monopolist can make more money by following such a strategy and competing suppliers of service B can be placed at a competitive disadvantage because any customer who buys their services must find a substitute for the monopolist’s service A, which is, by assumption, hard to do. Technically, tying is a form of monopoly leveraging in which market power in one market (A) is leveraged to give a competitive advantage in a more competitive market (B).³⁹

³⁸ *Id.* at 2-4.

³⁹ *Taylor Rebuttal* at 6-7.

On October 22, 2002, Mr. Mazerski submitted to the MD-PSC surrebuttal testimony on behalf of CloseCall.⁴⁰ In his surrebuttal testimony, Mr. Mazerski responded to the rebuttal testimony filed on behalf of Verizon by Mr. Charlton, Ms. Clayton, Mr. McCusker and Mr. Taylor. In particular, Mr. Mazerski noted that Mr. Charlton and Ms. Clayton do not personally act as CloseCall's business contacts nor did they demonstrate specific knowledge of CloseCall's relationship with Verizon regarding the matters at issue in the *Complaint*.⁴¹ Mr. Mazerski also noted that certain statements and admissions made by Verizon's witnesses actually validate CloseCall's argument that Verizon is improperly using its local market power to minimize competition in the Maryland local exchange telephone market and to block CloseCall's entry.⁴² In addition, Mr. Mazerski provided additional information regarding Verizon's anticompetitive and potentially illegal practice of tying its line sharing DSL (as well as voice messaging) services to its local telephone service in a manner that is specifically intended to harm competing providers of local telephone service.⁴³ Mr. Mazerski provided estimates of the revenue that CloseCall has lost as a result of Verizon's product tying strategy.⁴⁴ Mr. Mazerski also noted that Verizon

⁴⁰ Surrebuttal Testimony of Thomas E. Mazerski on Behalf of CloseCall America, Inc., Case No. 8927, Oct. 22, 2002 (public version) (the "*Mazerski Surrebuttal*"). See Attachment 14 (public version).

⁴¹ *Mazerski Surrebuttal* at 6, 26.

⁴² *Id.* at 1.

⁴³ *Id.* at 2.

⁴⁴ *Id.* at 46-47.

has, on a selective and potentially discriminatory basis, provided its non-local telephone services on lines that certain CLECs use to provide competitive local telephone service.⁴⁵

Furthermore, Mr. Mazerski noted that Mr. Taylor acknowledged in his rebuttal testimony that tying separate products together in the marketplace constitutes a potential antitrust violation.⁴⁶ Mr. Mazerski argued that such anticompetitive practices inflict unnecessary monetary hardship on competitive providers of local telephone service, including CloseCall, artificially reducing local competition and protecting Verizon's local telephone service monopoly.⁴⁷ In addition, Mr. Mazerski argued that these anticompetitive practices cause direct harm to residential consumers and small businesses by foreclosing their opportunity to choose and obtain the service and price benefits of local competition.⁴⁸

Mr. Mazerski described the specific anticompetitive tactics employed by Verizon. In particular, Mr. Mazerski discussed Verizon's blocking of CloseCall's effort to fulfill orders for local telephone service that come from customers who subscribe to Verizon's line sharing DSL (i.e., Verizon On-line) service.⁴⁹ Mr. Mazerski also stated that, by marketing discounted annual Verizon On-line subscriptions, Verizon effectively "traps"

⁴⁵ *Id.* at 47-51.

⁴⁶ *Id.* at 2, 65-68.

⁴⁷ *Id.* at 55-57.

⁴⁸ *Id.* at 2.

⁴⁹ *Id.* at 3.

local telephone customers for the duration of such plans.⁵⁰ Mr. Mazerski further argued that Verizon's practice of tying local telephone service to its line sharing DSL service (as well as its voice messaging service) is unfair to customers and competitors, causes unnecessary customer confusion, limits customer choice, is unreasonably discriminatory, unjustifiably harms CloseCall's reputation and customer acquisition efforts, and is generally punitive to Maryland's consumers and small businesses.⁵¹

On October 22, 2002, Ms. Clayton submitted to the MD-PSC surrebuttal testimony on behalf of Verizon.⁵² In her surrebuttal testimony, Ms. Clayton responds to the testimony submitted by Ms. Lichtenberg on behalf of WorldCom. In particular, Ms. Clayton alleges that Ms. Lichtenberg's testimony is wrong as a matter of fact, policy, and law, and that Ms. Lichtenberg has provided no evidence to justify her testimony. Ms. Clayton argued that WorldCom's current arguments against Verizon's practice of tying line sharing DSL and local telephone service contradict its prior public statements regarding consumer Internet access alternatives. Ms. Clayton also argued that, contrary to Ms. Lichtenberg's statements, "Verizon's business decision to offer DSL only as an overlay service to Verizon voice service does not "chill[]" competition."⁵³

⁵⁰ *Id.*

⁵¹ *Id.* at 3-4.

⁵² Surrebuttal Testimony of Rosemarie Clayton, Case No. 8927, Oct. 22, 2002 (the "*Clayton Surrebuttal*"). See Attachment 15.

⁵³ *Clayton Surrebuttal* at 2-3.

III. CURRENT STATUS OF CASE NO. 8927

The parties to Case No. 8927 continue to undertake confidential discovery and currently await a MD-PSC order regarding the admission of additional testimony on behalf of CloseCall. The MD-PSC has not yet scheduled a hearing date.

IV. CONCLUSION

CloseCall remains focused on resolving the issues relating to the *Complaint* before the MD-PSC and does not seek to resolve the matters raised in the *Complaint* in this proceeding. However, because the MD-PSC, in its *Conditional Order* regarding Verizon's Section 271 Application, included a condition that reflects certain issues involved in the *Complaint*, CloseCall has provided for the Commission's reference and convenience these comments and the attached documents as they appear in the public record associated with Maryland Public Service Commission Case No. 8927.

CloseCall hereby informs the Commission that Verizon has not yet contacted CloseCall regarding any actions that Verizon intends to take in order to comply with the MD-PSC's line sharing DSL condition nor has Verizon otherwise made available to CloseCall any notice that it is willing to discuss or agree to technical or business arrangements as described by the MD-PSC in the *Conditional Order* and agreed to by Verizon in the *Verizon Acceptance*. CloseCall respectfully requests that, in the course of this proceeding, the Commission recognize and preserve the conditions according to which the MD-PSC has granted its consent to Verizon's provision of in-region interLATA services in Maryland.

Respectfully submitted,

/s/Vincent M. Paladini

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January 9, 2003

CERTIFICATE OF SERVICE

I, Evelyn Opany, a secretary in the law firm of Piper Rudnick, LLP, do hereby certify that I have on this 9th day of January, 2003 caused copies of the foregoing Comments of CloseCall America, Inc. to be served to the following:

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